Representation for Settlement of Debt between Farmers, Entrepreneurs and Bank in A.P.

3748. SHRI V. KISHORE CHANDRA S. DEO: Will the Minister of FINANCE be pleased to state:

(a) whether a specific representation has been received by Government to organise settlement of debts between farmers, rural entrepreneurs and nationalised banks in Andhra Pradesh;

(b) whether it is a fact that nationalised banks in Andhra Pradesh are not coming forward to properly consider the applications of indebted farmers and rural entrepreneurs for settlement of their debts;

(c) what steps Government have taken to initiate a dialogue on the mentioned representation;

(d) whether any meeting has been called to discuss steps in the this regard; and

(e) the steps proposed to solve the debts incurred by farmers and rural entrepreneur which are owed to nationalised banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAN): (a) to (e) The information is being collected and, to the extent available, will be laid on the Table of the House.

Resource Mobilisation through Taxation of Services

43749. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that of late taxation of services has emerged as an important sphere of resources mobilisation; and

(b) if so, whether Government will ensure a balanced earmarking of the categories of services between Centre and the States so that State Governments can also get a legitimate share of power of taxing this sector?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Taxation of services has started from the Financial year 19994-95. Total gross tax revenue from Service Tax and revenue from other Taxes are given below:—

	Year	Total Gross Tax Revenue		% Service Tax as of Total Gross Tax Revenue (Rs. in crore)
		Other Taxes	Service Tax	
Actuals	1994-95	91887	407	0.44
Actuals	1995-96	110362	862	0.78
Actuals	1996-97	127703	1059	0.82
R.E.	1997-98	141220	1500	1.05
B.E.	1998-99	155844	1867	1.18

(b) Based on the recommendation of the 10th Finance Commission and the Inter State Council, the Government has introduced a Constitution Amendment bill in Lok Sabha on 14.7.98 where-under 29% of the gross proceeds of almost all Central taxes will be assigned to States. After the bill is passed, the States will inter alia share the resources generated by the Service Tax.

Target of Lending to Agriculture not achieved by SBI

3750. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State bank of India and all of its subsidiaries have not achieved the target of 18 per

cent lending to agriculture during the last three years;

(b) if so, the details thereof, bank-wise and year-wise;

(c) the reasons for not achieving the targets by each bank; and

(d) the steps taken by Government to ensure that target of lending to agriculture is achieved by SBI and its subsidiaries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAN): (a) to (c) Reserve Bank of India (RBI), which monitors the performance of scheduled commercial banks in lending to agriculture sector, has reported that the target of 18% of the total lending to agriculture has not been fully achieved by State Bank of India (SBI) and its subsidiaries during the last three years. The bank-wise and year-wise details of their achievements, as reported by RBI, during the last three years is as under:

Name of Bank	Percentage of agricultural credit to Net Bank Credit		
	March 1996	March 1997	March 1998
State Bank of India	13.04	15.10	14.63
State Bank of Bikaner & Jaipur	13.28	13.02	12.66
State Bank of Hyderabad	17.92	19.21	15.65
State Bank of Indore	16.04	18.52	17.58
State Bank of Mysore	16.68	17.60	16.86
State Bank of Patiala	16.43	20.05	17.03
State Bank of Saurashtra	13.11	14.22	14.50
State Bank of Travancore	20.57	21.92	21.40

The target for priority sector as well as agricultural credit for all banks, including SBI and its subsidiaries, has been fixed on the basis of 'outstandings' which decrease as a result of improved recoveries and write-off of loans. Further, the reserve requirements of banks have been progressively been reduced during the recent years thereby substantially increasing the volume of lendable resources. Accordingly, despite an increase in their lendings to agriculture, the banks in general have not been able to maintain the stipulated share of 18% of their Net Bank Credit as finance to agriculture.

(d) RBI has advised banks to make all efforts to achieve the stipulated target and sub-targets for lending to priority sector and agriculture. Banks which have not reached the agricultural lending sub-target of 18% of net bank credit are required to make contributions to the rural Infrastructural Development Fund (RIDF) maintained by National Bank for Agricultural and Rural Development (NABARD) which is used to provide funds to the State Governments for investments in rural infrastructure.

Schemes for Disinvestment in PSUs.

3751. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the names of Public Sector Undertakings in which schemes for disinvestment have been prepared till date;

(b) the names of such PSUs in which Government have decided to disinvest during the current financial year;

(c) the percentage of shares likely to be disinvested by Government in each PSU;

(d) the number of reports submitted by the Disinvestment Commission so far indicating main recommendations;